

banks are so overshadowed, however, by their discount and exchange business that the regulations on the subject are of minor importance. The development of the gold mines furnishes a metallic circulating medium of magnitude, and British methods of banking by transfers of credit are rapidly making headway into the interior of Africa. The unusual stimulus given to business in South Africa during the past few years by the great gold discoveries has afforded the banks large profits and encouraged the extension of branches over the vast territories which have come under English sovereignty. The combined paid-up capital of the banks operating in the Cape of Good Hope at the beginning of 1908 was £4,456,925, circulation in the colony only was £1,104,454, and gross assets in the colony were £18,080,509.* These figures did not include circulation and assets of the same banks operating through their branches in other British dependencies in South and East Africa.

The Standard Bank of South Africa is the largest of the English banks, with a subscribed capital of £6,194,100, of which one-quarter has been paid up, and a reserve fund of £1,900,000. Total liabilities, which in 1895 were £15,873,509, increased to £28,015,035 at the close of 1906, but declined to £26,171,558 at the close of 1907. The decline was due to general trade conditions in South Africa, which were reflected in the fall of the note circulation on December 31st from £1,060,339 in 1906 to £929,333 in 1907. The assets at the last date included £4,070,825 in securities, £9,913,436 in discounts and advances, £3,621,384 in bills of exchange, and £4,057,821 in cash in hand and with bankers.⁹ The usual dividend of sixteen per cent. was reduced for 1907 to fourteen per cent., without any additions to reserve.³

The National Bank of South Africa was founded in 1891, with headquarters at Pretoria, under the name of National Bank of the South African Republic. The capital, at that

¹ *Statesman's Year Book for 1908* 214.

* *London Bankers' Magazine*, May, 1908, LXXXV, 779.

» *Ibid.*, LXXXV., 726.